

County of Los Angeles CHIEF ADMINISTRATIVE OFFICE

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June 18, 2004

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To:

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From:

David E. Janssen

Chief Administrative Officer

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS RECOMMENDATION TO APPROVE A RETROACTIVE AMENDMENT TO CUSTODIAL AND ELEVATOR OPERATIONS SERVICES AGREEMENT NO. 73214, WITH DIAMOND CONTRACT SERVICES, INC. (ITEM NO. 28, AGENDA OF JUNE 22, 2004)

Item No. 28 on your June 22, 2004 agenda is the Department of Military and Veterans Affairs (Department) request for Board approval of a retroactive amendment to an existing contract for custodial and elevator operations services provided by Diamond Contract Services, Inc. (Diamond) to Bob Hope Patriotic Hall (BHPH). This action is not in compliance with the Board-approved policy to ensure the timely submission of contracts for Board approval.

Despite the retroactive nature of the amendment, we recommend approval of this item. Diamond is the sole provider of custodial and elevator operation services to BHPH, and this service is essential for building operations. Also, the revenue generated from the room rental in BHPH more than offsets the cost of the contract.

The current contract was effective on January 10, 2001, and the contract scope of work and maximum contract sum were based on the needs of the Department at that time. In May 2004, the Department determined that the unanticipated increase in room rentals resulted in additional custodial contract expenses beyond what the Board originally authorized. At this point, the Department initiated a contract amendment that will increase the contract sum and expand the contractor's scope of work attributed to special events, primarily held on the weekends, allowing the Department to service the needs of their clients.

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Due to the unpredictable demand of room rentals, the Department has committed to better monitor clients' reservation and use of the contract services.

If you have any questions or need additional information, please contact Amylen Clarke of my staff at (213) 974-1163.

DEJ:SRH:DL AC:QM:lbm

c: Executive Officer, Board of Supervisors County Counsel Auditor-Controller Department of Military and Veterans Affairs